



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

75 Hawthorne Street
San Francisco, CA 94105-3901

JUL - 6 2005

David L. Saliba
Fossil Plant Manager
APS Four Corners Power Plant
Mail Station 4900
PO Box 355
Fruitland, NM 87416-0355

Dear Mr. Saliba:

We received the proposal for information collection (PIC) for the APS Four Corners Power Plant, submitted in partial compliance with the 316(b) phase II regulatory requirements, along with a cover letter from you dated April 18, 2005. The purpose of this letter is to provide you with written EPA comments on your PIC. Most of these comments have already been discussed informally between EPA and APS staff.

Although we support appropriate restoration alternatives for compliance with 316(b) at the Four Corners Power Plant, EPA is concerned by APS's stated intent to consider creation of Morgan Lake as an "existing" restoration measure under the 316(b) rule. The PIC states:

"Four Corner's creation of aquatic habitat that supports the current Morgan Lake recreational fishery is not different than that of other such restoration programs. APS plans to pursue quantification of the aquatic habitat it created to determine if it is adequate to support a level of fish production adequate to offset 80% to 95% of the annual impingement mortality necessary to comply with the IM performance standard."

EPA does not believe the initial creation of the cooling lake should be considered a restoration measure under the 316(b) Phase II rule. Under 125.95(b)(5)(iii), the restoration plan must provide "quantification of the ecological benefits of the proposed restoration measures." If the creation of Morgan Lake is to be considered restoration, the ecological benefits of the restoration project must be quantified, and the destruction of any habitat that existed prior to the creation of the lake must be taken into account. EPA believes it is likely that the dry wash that was impounded to create Morgan Lake contained valuable ecosystem functions. Additionally, as the project was begun in the late 1950s, it is unlikely that data is available to quantify net ecological benefits of the project. Therefore, we do not believe this compliance strategy will be successful. However, we would welcome restoration proposals that would enhance existing uses of Morgan Lake. These types of restoration projects could have on-the-ground benefits for the community in addition to providing compliance with 316(b) for APS.

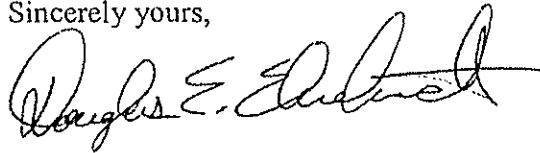
Page 6 of the PIC states: "APS plans to evaluate potential use of each of the rule's compliance alternatives before making a final decision." However, the compliance option for flows commensurate with a closed-cycle recirculating system was not discussed in the PIC. Although we understand there may be reasons why this option may not be feasible, we recommend that this option be addressed in the PIC. With this addition, we believe that all potential options will be presented early in the process, and the applicable analysis and discussions can be conducted.

Regarding the proposed sampling plan, while sampling frequency is less than is generally conducted for these types of studies, we believe the once per two week frequency is probably adequate to characterize impingement mortality for Morgan Lake. Morgan Lake is a contained freshwater system with a stocked and managed fishery; thus, we do not expect there to be large pulses in fish presence and vulnerability to impingement (as opposed to systems with migratory species).

Additionally, as there was some initial confusion between EPA and APS staff on fish collection duration, we would like to confirm that all fish impinged during the 24 hour sampling period once every two weeks will be collected. We understand that all fish impinged from 6:00 AM until 6:00 PM will be collected as one sample, and all fish impinged from 6:00 PM to 6:00 AM the next day will be collected as one sample. Please let us know if the collection duration you proposed is different from our understanding as described above, as it might not be adequate to monitor diurnal variations.

We appreciate your timely submittal of the PIC, and we hope these comments have provided a basis for you to move forward with implementation of the sampling plan and analysis of compliance alternatives. If you have questions concerning these comments, please contact Nancy Yoshikawa at (415) 972-3535.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Douglas E. Eberhardt", with a stylized, flowing script.

Douglas E. Eberhardt
Manager, CWA Standards and Permits Office

cc: Carl Woolfolk, APS Four Corners
Amy Pickering, EPA HQ